

SENATE CONCURRENT RESOLUTION NO. 7

A CONCURRENT RESOLUTION, Requesting the State of Nebraska to provide tax relief and amnesty for certain South Dakota trucking companies.

WHEREAS, the State of Nebraska has recently notified many South Dakota trucking companies that they are required to file Nebraska state income tax returns; and

WHEREAS, the State of Nebraska has a state income tax which applies to the trucking industry and is administered by special trucking rules. The Department of Revenue from the State of Nebraska has contacted many South Dakota trucking companies to ascertain their potential income tax obligation to the State of Nebraska. These companies were unaware of their income tax obligation to the State of Nebraska; and

WHEREAS, the actual taxable revenue is apportioned to Nebraska for those loads that are loaded and unloaded in Nebraska. Otherwise, apportionment is based on all the miles traveled in Nebraska divided by the overall miles traveled by the trucking company; and

WHEREAS, the South Dakota trucking companies did not anticipate that they could incur a Nebraska income tax obligation for miles traveled in Nebraska when the load was either loaded or unloaded within the boundaries of another state or country; and

WHEREAS, economic times have been extremely difficult for many industries and individuals as well as governmental units, especially state governments. It is understandable in these difficult times, that states look for every source of revenue; and

WHEREAS, the State of Nebraska and the State of South Dakota have each agreed to a tax amnesty policy regarding other forms of taxation. For example, the Streamlined Sales Tax Project amnesty program is an attempt to have potential tax payers report and pay their current and future tax obligations in a timely manner without worry of substantial penalty; and

WHEREAS, South Dakota trucking companies are now better informed of their income tax obligation to the State of Nebraska and the rules that administer and apply that income tax:

NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Eighty-fourth Legislature of the State of South Dakota, the House of Representatives concurring therein, that the South Dakota Legislature requests the Nebraska Legislature to forgive all or part of the income tax due for past

years on South Dakota trucking companies and to apply this tax on current and future income. Favorable resolution of this matter by the Nebraska Legislature will provide relief to an industry that also faces financial struggles; and

BE IT FURTHER RESOLVED, that the South Dakota Legislature requests the Nebraska Legislature to develop an amnesty program for out-of-state trucking companies. The amnesty program will encourage the trucking companies to file income tax returns and pay their tax obligations in a timely manner without fear of severe penalties and interest; and

BE IT FURTHER RESOLVED, that the South Dakota Legislature expresses its appreciation for the Nebraska Legislature's consideration of this matter.

Adopted by the Senate,  
Concurred in by the House of Representatives,

March 5, 2009  
March 9, 2009

---

Dennis Daugaard  
President of the Senate

---

Trudy Evenstad  
Secretary of the Senate

---

Timothy A. Rave  
Speaker of the House

---

Karen Gerdes  
Chief Clerk of the House